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September 17, 2004

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PUBLIC SERVICE
COMMISSION

HAND DELIVERY

Elizabeth O'Donnell
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40601

RE: Joint Application of Louisville Gas and Electric Company, Metro Human Needs Alliance, Inc., People Organized and Working for Energy Reform, and Kentucky Association for Community Action, Inc. for the Establishment of a Home Energy Assistance Program
Case No. 2004-00304

Dear Ms. O'Donnell:

Enclosed please find and accept for filing the original and ten (10) copies of the Petition for Reconsideration and Response of Louisville Gas and Electric Company to Request of Robert L. Madison for Reconsideration in the above-referenced matter. Please confirm your receipt of this filing by placing the stamp of your Office with the date received on the enclosed additional copy and return it to me in the enclosed self-addressed stamped envelope.

Should you have any questions or need any additional information, please contact me at your convenience.

Very truly yours,

Allyson K. Sturgeon

AKS/ec

Enclosures

cc: Parties of Record

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

**JOINT APPLICATION OF LOUISVILLE GAS)
AND ELECTRIC COMPANY, METRO HUMAN)
NEEDS ALLIANCE, INC., PEOPLE ORGANIZED)
AND WORKING FOR ENERGY REFORM, AND) **CASE NO: 2004-00304**
KENTUCKY ASSOCIATION FOR COMMUNITY)
ACTION, INC. FOR THE ESTABLISHMENT OF A)
HOME ENERGY ASSISTANCE PROGRAM)**

**PETITION FOR RECONSIDERATION AND RESPONSE OF
LOUISVILLE GAS AND ELECTRIC COMPANY TO REQUEST
OF ROBERT L. MADISON FOR RECONSIDERATION**

Louisville Gas and Electric Company (“LG&E”), by counsel, for its Petition for Reconsideration of the Kentucky Public Service Commission’s (“Commission”) August 25, 2004 Order, and in response to the Request for Reconsideration of the same Order by Mr. Robert L. Madison (“Mr. Madison”), states as follows:

On August 3, 2004, Mr. Madison filed his Request for Full Intervention into this proceeding. On August 12, 2004, LG&E filed an Objection to that Request. While the Commission denied Mr. Madison full intervention into the proceeding, the Commission determined to grant him limited intervention. Mr. Madison has now filed a Request for Reconsideration of the August 25, 2004 Order, and asks that the Commission grant him full intervention and expand the scope of the procedural schedule.

Mr. Madison’s Request for Reconsideration, dated September 15, 2004, presents no compelling reason for reconsideration of the Commission’s August 25, 2004 Order. Mr. Madison has still not demonstrated that he has a special interest in this proceeding which is not otherwise adequately represented in this proceeding, nor has he shown that his intervention would not unduly complicate or disrupt the proceeding. In fact, since the Commission’s Order

granting Mr. Madison limited intervention, the Attorney General has been granted full intervention in this proceeding. The Commission granted that request on September 10, 2004.

Despite his representation to the contrary, Mr. Madison's interest in this case is indistinguishable from that of any other member of the general public. The mandate to represent the interests of consumers in proceedings such as this one clearly falls to the Attorney General. See KRS 367.150 (8) (granting the Attorney General the right and obligation to appear before regulatory bodies of the Commonwealth of Kentucky to represent the interests of consumers). Likewise, it is the Commission Staff, not Mr. Madison, that is responsible for representing the broader public interest in proceedings like this one. The Commission previously held that:

[t]he Commission, in its role as the enforcer of KRS Chapter 278 and all regulations promulgated pursuant to that Chapter, represents the public interest. See KRS 278.040(1) and (3). See also Philipps, Kentucky Practice, 5th Ed., Civil Rule 24.01 at 422 (“[W]here . . . there is a party charged by law with representing his interest, then there will be a presumption that the representation is adequate.”)

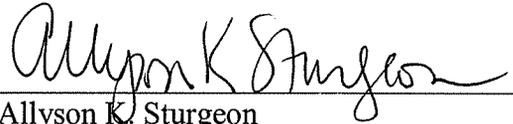
In the Matter of: Louisville Gas and Electric Company and BellSouth Telecommunications, Inc. – Alleged Violation of Commission Regulations 807 KAR 5:041, Section 3 and 807 KAR 5:061, Section 3, Case No. 96-246, Order (October 15, 1996) (emphasis added and citation omitted).

For the reasons discussed in the Objection of Louisville Gas and Electric Company to Mr. Madison's Request for Full Intervention, which reasons were recognized in the Commission's August 25, 2004 Order, the Commission should deny Mr. Madison's Request for Reconsideration. In addition, based on the recent intervention of the Attorney General into the case, the Commission should reconsider its grant of limited intervention to Mr. Madison and deny him intervention altogether. Mr. Madison would still have the opportunity to address his concerns to the Commission in the form of public comments at the commencement of any hearing that is held.

WHEREFORE, Louisville Gas and Electric Company respectfully requests that the Commission deny Mr. Robert L. Madison's Request for Reconsideration and grant LG&E's request to deny intervention to Mr. Madison outright.

Dated: September 17, 2004

Respectfully submitted,



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CERTIFICATE OF SERVICE

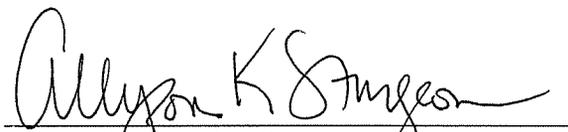
The undersigned hereby certifies that a true and correct copy of the foregoing was served on the following persons on the 17th day of September 2004, United States mail, postage prepaid:

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Counsel for Louisville Gas and
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